MANDALA

VISA

Asia Integration Index

Prepared by Mandala Partners

Sponsored by Visa

RESEARCH REPORT – NOVEMBER 2026



NEW YORK CONTAINER TERMINAL LLC

Foreword

Every trade, trip, tuition payment, and investment between two markets concludes the same way - the movement of money across borders.

While cross-border payments are inherently complex - with different currencies, regulations, payment methods, and risk environments in every market - Visa helps simplify that complexity.

We do so by connecting cards, accounts, wallets, and other payment forms through trusted infrastructure. This enables people and businesses to move money more securely, reach recipients through their preferred endpoints, and participate more confidently in global commerce.
Visa is continuously evolving to make that movement simple, secure, and reliable.

That gives us a unique vantage point. Visa's network connects financial institutions, businesses, and consumers across borders. Every flow of goods, services, travellers, and capital that this report measures eventually runs through payments infrastructure like our own. As a result, we see where connections are deepening, where they are lessening, and where friction holds businesses back.

Against this backdrop, we welcomed the opportunity to partner with Mandala to build the Visa-Mandala Asia Integration Index and provide improved visibility of where Australia's economic relationships are strong or where there is more work to do.

The Index shows that Australia's relationship with Asia is changing. The investment surge of the mining boom has faded, but integration with India, ASEAN, Japan, and South Korea is rising. That growth is emerging in new sectors and a much wider set of partners.

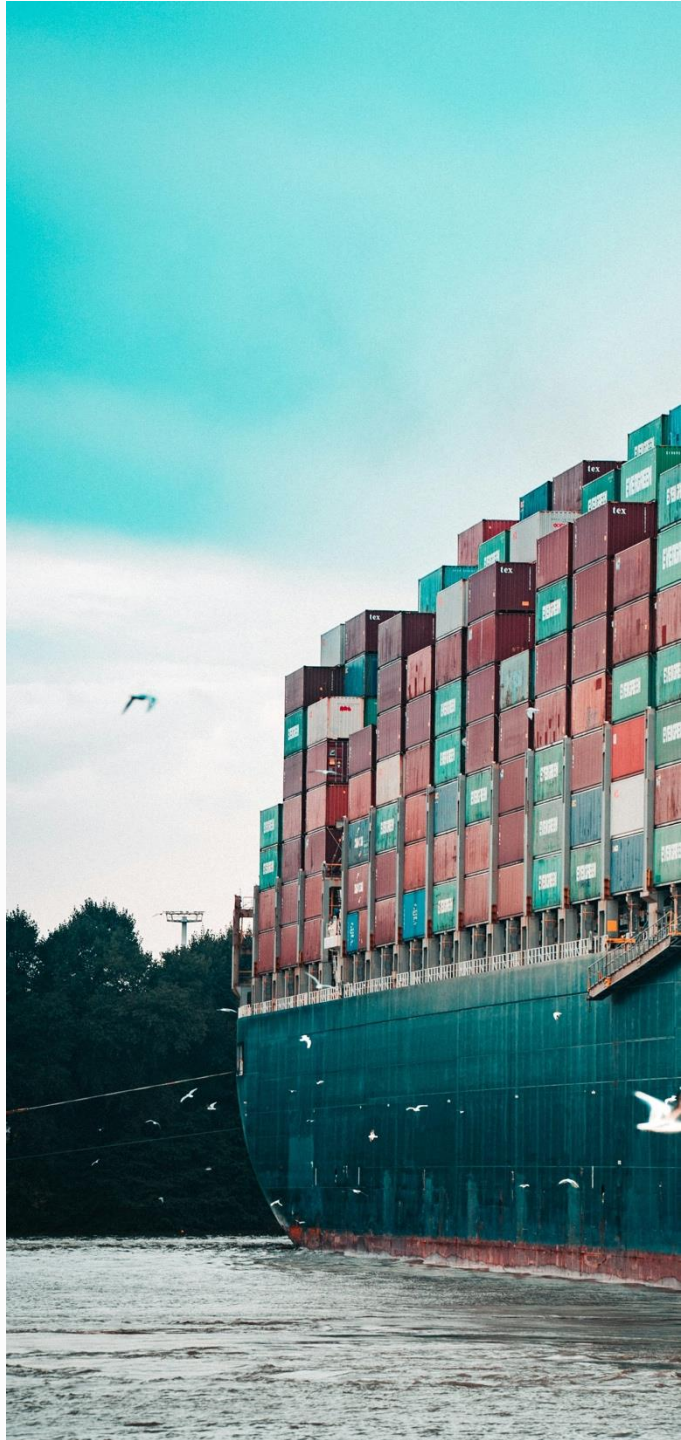
This shift matters because these new connections look different from the old ones. They involve more partners and more firms, and many of those firms are small. They depend less on large resource projects and more on whether an Australian business can pay a supplier in Jakarta or be paid by a customer in Hanoi quickly and securely. In a more fragmented world, that ease of doing business becomes a source of economic resilience as well as growth.

That is where Visa contributes every day, and the businesses profiled in this report show what is already possible. We want to see Australian businesses of every size take up the opportunities in the region that grow their business and we are committed to helping them through the payments tools and services we provide.

Visa hopes the Index becomes a benchmark that governments, businesses, and financial institutions can return to, and that it helps build the case for the policy settings and infrastructure that make the next phase of integration even more fruitful for both Australia and Asia.



Alan Machet
Group Country Manager
Visa Australia & New Zealand




DIY
Post Cards
50 Cents

Executive summary

Australia has been pursuing deeper integration with Asia for decades, spanning both sides of politics. Successive governments have treated engagement with Asia as central to the national interest. That integration has evolved from booming commodity exports with China, Japan, and South Korea, to newer opportunities in services, led by education and tourism.

Globally, integration is declining, with fragmentation at the highest levels seen in the last 50 years. For a trade-exposed economy like Australia, this raises the risk of relying on a narrow set of markets and suppliers.

Integration with Asia has been a major source of Australia's growth and resilience, and matters more as the world fragments. Free trade agreements with South Korea, Japan and China are estimated to add $AUD24.4 billion to GDP cumulatively between 2016 and 2035,[1] while nearly half a million jobs are linked to trade with ASEAN.[2] Asian partners have also been a central source of trade diversification when Australia has been hit by international shocks.

Payment systems enable global integration. Global cross-border payments grew from $AUD193.2 trillion in 2019 to $AUD322.5 trillion in 2025, a 67% rise compared with 38%[3] for world trade over the same period. Visa provides integrated cross-border services that lower barriers to international markets.

The Visa-Mandala Asia Integration Index measures Australia's ties with Asia across trade, people, and financial flows. Each of the five channels captured in this index is scored against a benchmark of 1, where a score of 2 means twice the level that a proportionate share of global flows would predict.

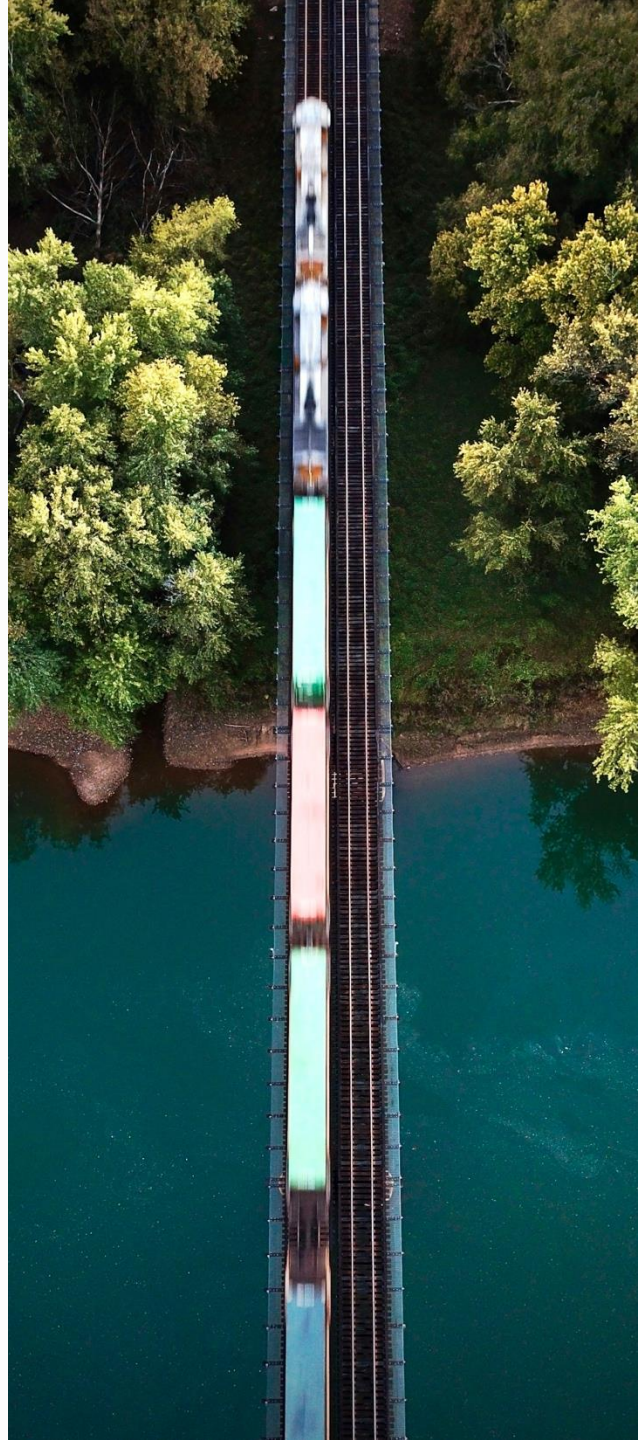
Australia's ties with Asian partners are high for trade in goods and education and travel, but moderate for services and investment. Goods trade is around twice the benchmark with every major partner. Education and travel ties with ASEAN and India are more than three times the benchmark.

FDI has fallen, partly offset by growth in education and travel and portfolio investment. FDI integration has fallen 77% since 2015, correlating with the end of the mining boom. FDI intensity with China has also fallen from 2.0 in 2019 to 0.1 in 2024, coinciding with tighter foreign investment screening.

Since 2019, goods trade integration has declined with China but risen across alternative Asian partners. Japan is now Australia's most prominent partner (2.7), while India has recorded the largest increase (up 0.7 points to 2.0). Education and travel ties with India and ASEAN have also grown.

The Index highlights Australia's mature relationship with Asia, alongside a need to adapt and diversify into new sources of growth. Australia has built strong economic foundations with its Asian partners, particularly during the resources era. However, the next phase of integration is likely to look different, with growth driven by travel, education, and a broader set of partners, particularly India and ASEAN. This raises the importance of settings that improve the ease of doing business across borders. This includes expanding trade agreements and regulatory cooperation, alongside the financial infrastructure that lets firms transact, invest, and get paid in new markets.

Visa's cross-border solutions directly enable trade, people, and financial flows, facilitating Australia-Asia integration. Visa's partners in the payment ecosystem like Wayex, Send Payments, and Nium demonstrate how businesses are leveraging Visa's infrastructure to pay suppliers, move capital, and settle transactions across Asia.



1 DFAT Secretary Peter N Varghese AO (2015) Speech to the Committee for Economic Development of Australia; 2 Albanese (2024) Breakfast event on Australia's Southeast Asia economic strategy
3 WTO (2025) Evolution of trade

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This document is intended for general informational purposes only. The analysis in this report was commissioned by Visa and prepared by Mandala.

Mandala is an economics research and advisory firm. Mandala specialises in combining cutting-edge data and advanced analytical techniques to generate new insights and fresh perspectives on the challenges facing businesses and governments.

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Note: All dollar figures are Australian dollars unless indicated otherwise.

Glossary

This report examines trends and developments in Australia's economic integration with Asia over the last two decades, leveraging publicly available data from the United Nations, the International Monetary Fund, and the Organisation for Economic Co-operation and Development. For further information on the construction of the Index, refer to the technical appendices.

Due to data limitations, some Asian countries have not been included. As such, the term 'Asia' used throughout this report refers specifically to the following countries:

- Brunei
- Cambodia
- China
- India
- Indonesia
- Japan
- Laos
- Malaysia
- Myanmar
- Philippines
- Singapore
- South Korea
- Thailand
- Timor-Leste
- Vietnam

MANDALA


WAN HAI LINES



1 **Integration with Asia is a key source of economic growth and resilience for Australia in an era of global fragmentation**

2 The Visa-Mandala Asia Integration Index highlights the strength of Australia's relationship with Asia, and the areas where it is evolving and shifting

3 Appendix

Australia has been pursuing deeper integration with Asia for decades, spanning both sides of politics

Successive Australian governments have treated engagement with Asia as central to the national interest for more than three decades.

The emphasis has shifted with each government. Prime Minister Keating championed regional institutions such as Asia-Pacific Economic Cooperation (APEC). Prime Minister Howard and Prime Minister Abbott pursued bilateral trade agreements, culminating in free trade agreements (FTAs) with South Korea, Japan, and China. Prime Minister Gillard's Asian Century White Paper and the Albanese Government's Southeast Asia Economic Strategy to 2040 looked to the region's next phase of growth.

The underlying objective has remained constant, centred on positioning Australia to benefit from the rise of the economies around it.

Digital trade has become part of this agenda. Australia has co-convened the WTO Joint Statement Initiative on E-commerce with Japan and Singapore since 2019. This initiative is working towards binding global rules for digital trade. Australia has also backed APEC pathfinder initiatives, which let willing economies cooperate early on emerging areas such as AI.

Source: The Conversation (2026) *Prime Minister Keating's AUKUS hostility reflects his passion for hard-nosed realism over subservience;* Abbott (2015) *Address to the China-Australia Free Trade Agreement Signing Ceremony Luncheon, Canberra; Prime Minister* Gillard (2012) *Australia in the Asian Century;* DFAT (2023) *Invested: Australia's Southeast Asia Economic Strategy to 2040.*

Australian Government priorities over time

1996

"If Australia does not succeed in Asia it will not succeed anywhere... our engagement with the region around us is not just commercial... it goes to a genuine desire for partnership..."[1]



Prime Minister Paul Keating

1997

"It is impossible to imagine a prosperous and successful Australia which is not deeply engaged with Asia... There is no geographic linkage more important..."[2]



Prime Minister John Howard

2012

"Our nation has benefited from Asia's appetite for raw materials and energy. The challenge we must now address is how Australia can benefit from what Asia will need next."[3]



Prime Minister Julia Gillard

2013

"Decisions which impact our national interests will be made in Jakarta, in Beijing, in Tokyo, in Seoul, as much as they will be made in Washington."[4]



Prime Minister Tony Abbott

2023

"Our economic future lies with Southeast Asia. This strategy outlines how we can harness this growth, and seize the vast trade and investment opportunities..."[5]



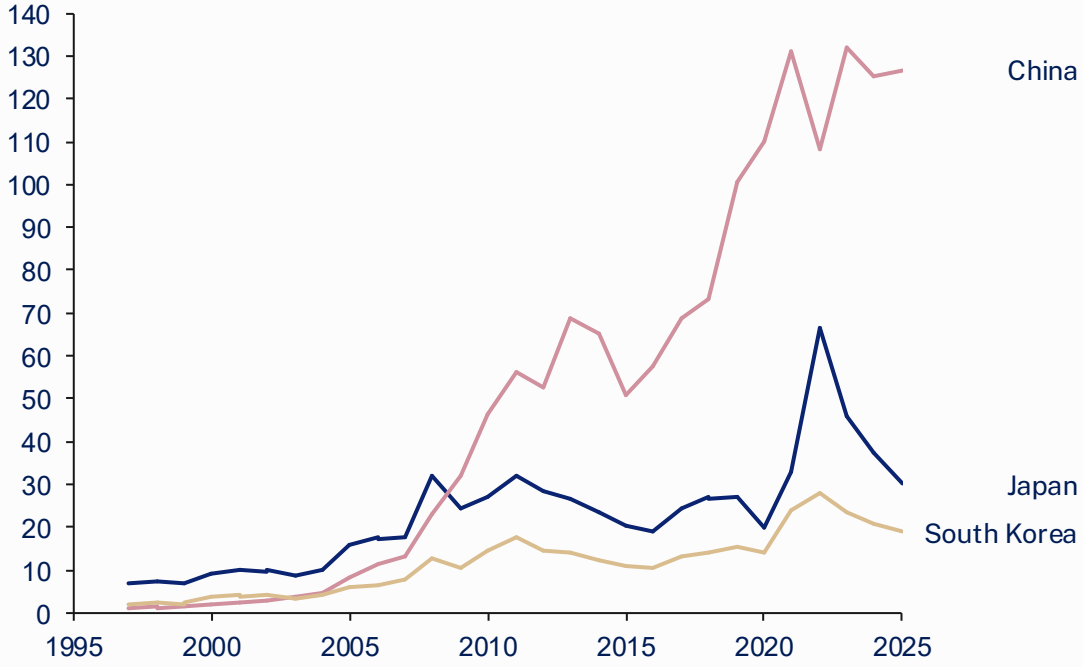
Prime Minister Anthony Albanese

1 Prime Minister Keating (1996) *Australia, Asia and the new regionalism.* 2 Prime Minister Howard (1997) *Australia and Asia: an enduring engagement.* 3 Prime Minister Gillard (2012) *Australia in the Asian Century.* 4 SMH (2013) *I would be an Asia-first prime minister, says Prime Minister Abbott.* 5 Treasury (2023) Invested in Southeast Asia.

This has translated into growth in commodity trade with China, Japan and South Korea

Commodity exports to China, Japan, and South Korea

$AUD, billions, 1997-2025



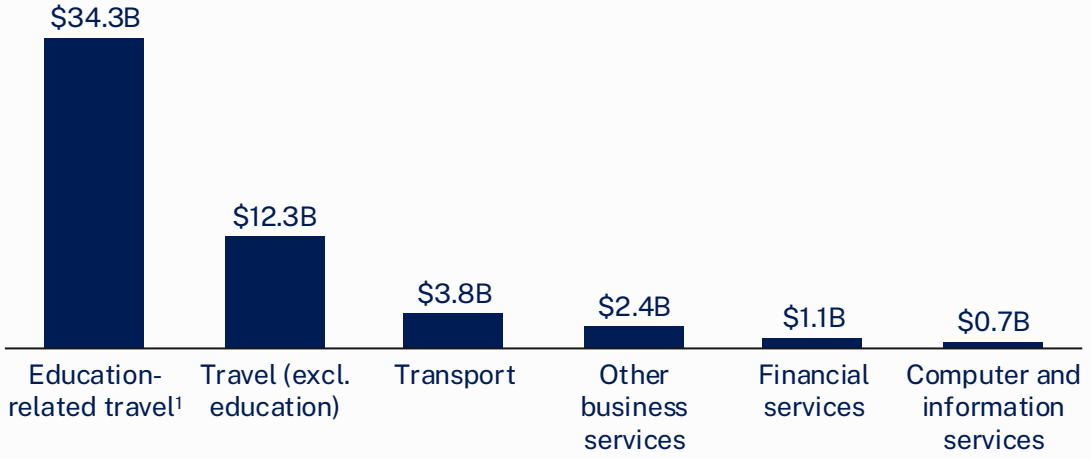
Notes: Commodities are defined as SITC division 28 (metalliferous ores and metal scrap, including iron ore) plus section 3 (mineral fuels, lubricants and related materials, including coal and gas).
Source: ABS (2026) *Merchandise Exports by Commodity (SITC);* Mandala analysis.

Engagement with the region extends to services, led by education and travel, with smaller contributions from emerging sectors

Top Australian services exports to Asia

$AUD, billions, 2024

Australia exports a range of services across Asia, led by education and tourism. Emerging industries present an opportunity to export new value-adding services to the region such as the export of AI compute.[2]



1 Education-related travel is driven by international students. Exports include tuition fees and living expenses paid by international students in Australia. 2 Mandala (2026) *The Economic Contribution of the Data Centre Industry in Australia.*
Source: UN Comtrade (2026) *UN Comtrade Database;* World Bank (2026) *Official exchange rate (LCU per US$, period average) – Australia;* ABS (2026) *International Trade in Services;* Mandala analysis.

Globally, integration is declining, with fragmentation at the highest levels seen in the last 50 years

Global economic integration has reversed over the past five years. The Geopolitical Fragmentation Index (GFI) reached -0.76 in 2024, its lowest level in the 50-year series.[1]

The index was positive from 1997 to 2019, a period of trade liberalisation and expanding global value chains. Integration peaked in 2007.

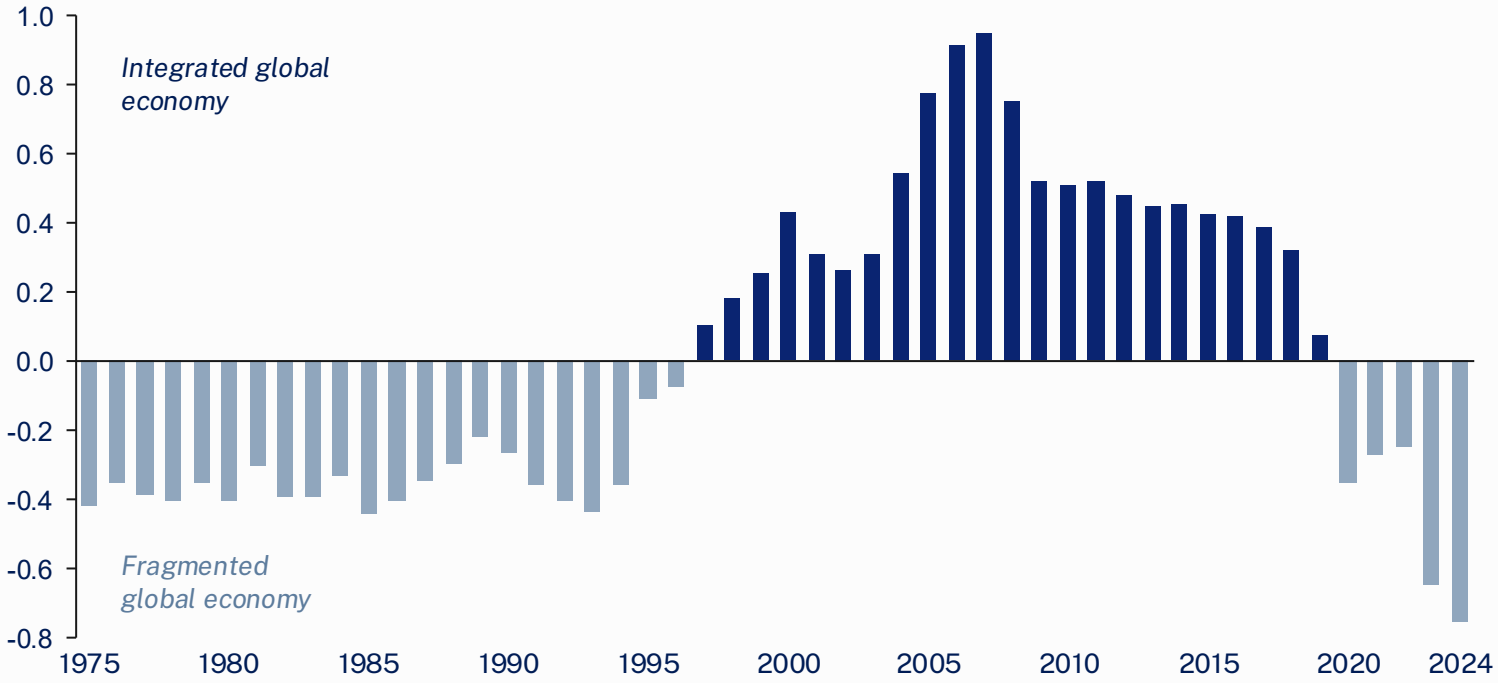
Since 2020, COVID-19 supply disruptions, rising trade restrictions, and geopolitical competition have pushed the index sharply lower. For a trade-exposed economy such as Australia, this raises the risk of relying on a narrow set of markets and suppliers.

1 Geopolitical Fragmentation Index has been inverted from the source data such that a positive score reflects greater integration and a negative score reflects greater fragmentation.

Geopolitical Fragmentation Index (GFI) over time

GFI index; inverted; 1975-2024[1]

A negative score on the GFI indicates that the global economy is more fragmented than the average level of the past 50 years (indexed to 0).[1] **GFI scores have fallen since 2020**, as countries have increasingly pushed back against the trend of increased globalisation and economic integration.



Source: Jesús Fernández-Villaverde et al. (2024) *Geopolitical Fragmentation Index;* Mandala analysis.

Integration with Asia has been a major source of Australia's growth and resilience, and matters more as the world fragments

Asia has contributed to Australia's prosperity in two distinct ways.

The first is growth. Regional demand has underpinned Australia's export base for decades, and trade agreements with South Korea, Japan, and China have supported preferential access to its largest markets. The benefits extend beyond exporters, supporting employment across the economy and drawing in the long-term capital needed to develop Australian industries. With the rise of the Association of Southeast Asian Nations (ASEAN), the region's contribution to growth is set to continue to broaden well beyond commodities.[1]

The second is resilience. A diverse set of regional partners has given Australia options when shocks hit, whether securing essential imports when supply routes are disrupted, or redirecting exports when market access has shifted.

Both roles become more valuable as global fragmentation rises and traditional sources of supply and demand become less predictable.

1 ASEAN refers to the Association of Southeast Asian Nations. This is an organisational bloc composed of 11 members, including Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Timor-Leste, and Vietnam.

Benefits of integration with Asia for the Australian economy



Economic growth

- Integration with Asia has been a key driver of Australia's economic prosperity across a range of key indicators.
  - **Trade:** Australia's FTAs with South Korea, Japan, and China are estimated to increase GDP by $AUD24.4B cumulatively between 2016 and 2035.[2]
  - **Jobs:** Nearly half a million Australian jobs are linked to trade with ASEAN.[3]
  - **Capital:** Japan is Australia's second-largest source of foreign direct investment, reaching holdings of $AUD159.5B at the end of 2024.[4]
- ASEAN is projected to be the world's fourth-largest economy by 2040, with potential consumer spending power ten times larger than Australia's.[5]



Economic resilience

- When faced with economic shocks and shifts over time, Asian partners have provided Australia with reliable sources of both critical supplies and alternative markets for its exports.
  - Following the closure of the Strait of Hormuz, Australia signed energy statements with Singapore, Brunei, Malaysia, and South Korea to secure Australia's access to critical refined fuels.[6]
  - After the UK's entry into the European Economic Community (EEC) in 1973, the forerunner to today's European Union, Asian markets provided an important source of diversification for Australian exports as trade with the UK became more restricted.[7]

2 CIE (2015) *Economic benefits of Australia's North Asian FTAs.* 3 Albanese (2024) *Breakfast event on Australia's Southeast Asia economic strategy.* 4 JETRO (2025) *Records and Frontiers.* 5 DFAT (2023) *Invested: Australia's Southeast Asia Economic Strategy to 2040.* 6 Wong (2026) *Australia-ROK joint statement on Energy Security.* 7 Findlay, Mavromaras and Wei (2019) *Economic Consequences of Globalisation: The Australian Framework for Reforms*

Payment systems are an enabler of global integration, supporting growth in cross-border payments

Every cross-border flow in the Integration Index, from exports and tourism to foreign investment, depends on the ability to move money between countries.

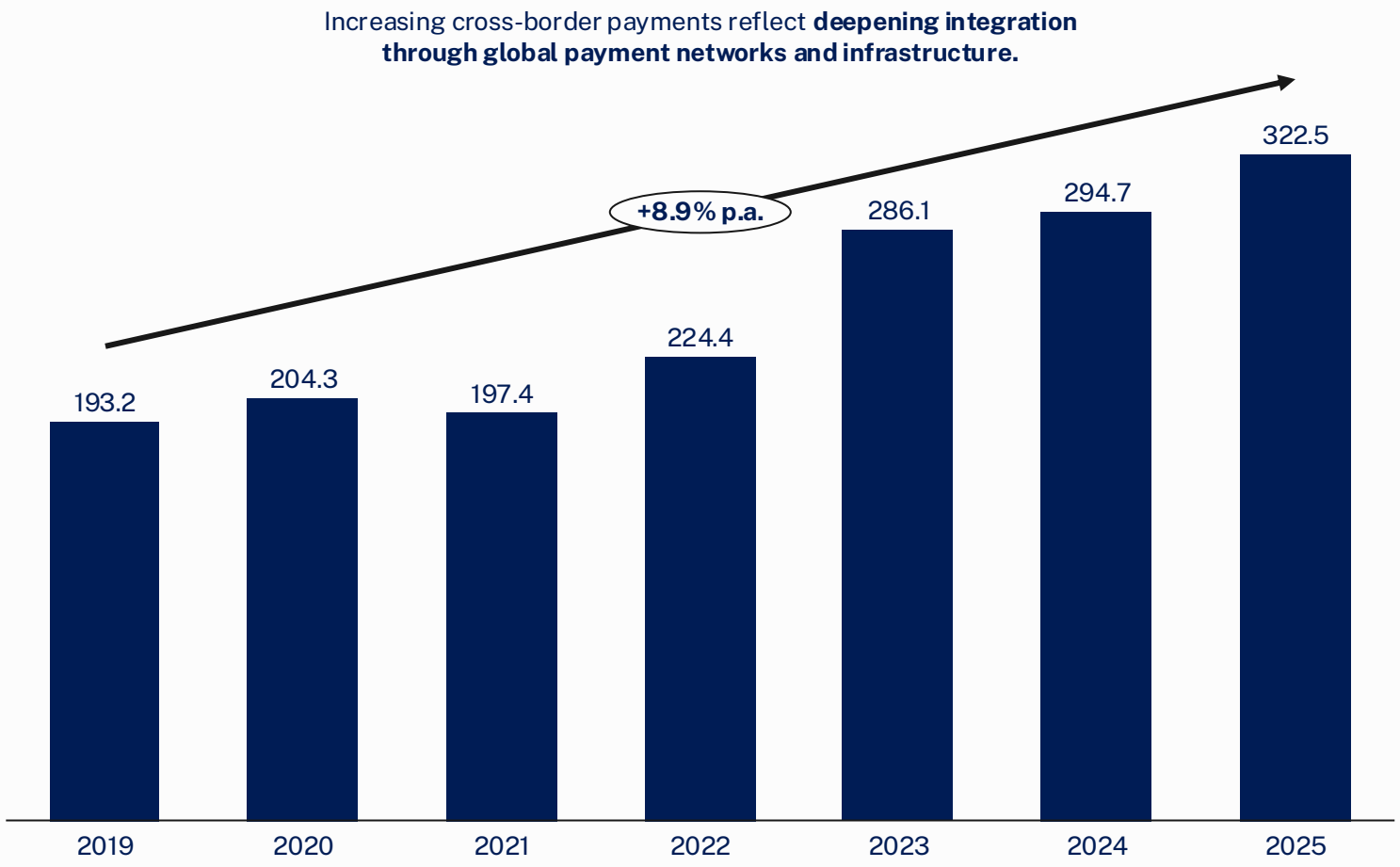
The value of global cross-border payments rose from $AUD193.2T in 2019 to $AUD322.5T in 2025, growth of around 8.9% a year. This growth continued through a period of rising global fragmentation, suggesting that demand for cross-border commerce has remained resilient even as trade and investment barriers have increased.

This highlights the importance of the infrastructure that supports cross-border payments as an enabler of international integration. It allows businesses and individuals to pay, receive, and settle funds across borders, reliably and securely.

Global payment networks, including participants, technical standards, governance and oversight, and trust and integrity measures, help to connect banks, businesses, and consumers across jurisdictions. The contribution of global payment networks to security is particularly critical amid a more challenging fraud environment.

Global cross-border payments

$AUD, T, 2019-2025



Source: EY (2024) *Beyond borders: capturing growth in the dynamic cross-border payments market;* FXC Intelligence (2025) *Cross-border payments market now worth over $194tn;* FXC Intelligence (2026) *The cross-border payments market grows to $208tn;* ATO Calendar Year Foreign Exchange Rates; Mandala analysis.

Today, Visa provides integrated cross-border services that lower barriers to international markets

Cross-border payments historically have been slower and less transparent than domestic ones, reflecting a fragmented global system in which each market operates its own infrastructure and standards.

For Australian businesses, this fragmentation translated into a fixed cost of entry. This included separate banking, foreign exchange, payout, and compliance arrangements in each Asian market they wished to serve. Larger exporters could absorb this. Smaller firms often could not.

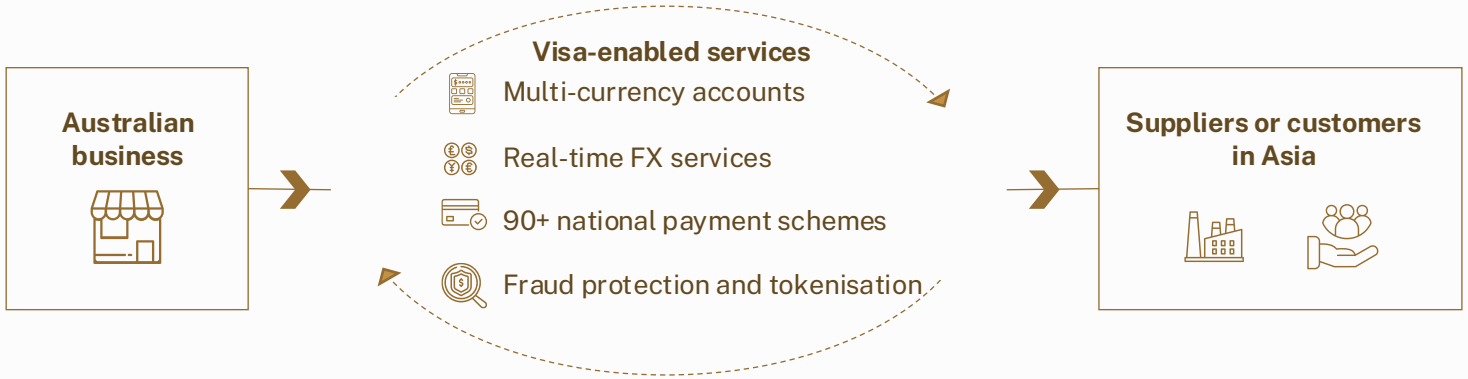
Visa's expansion beyond card payments, into account and wallet payouts, multi-currency settlement, and embedded risk management, consolidates these functions into a single point of connection.

The evolution of access to cross-border financial services for Australian businesses

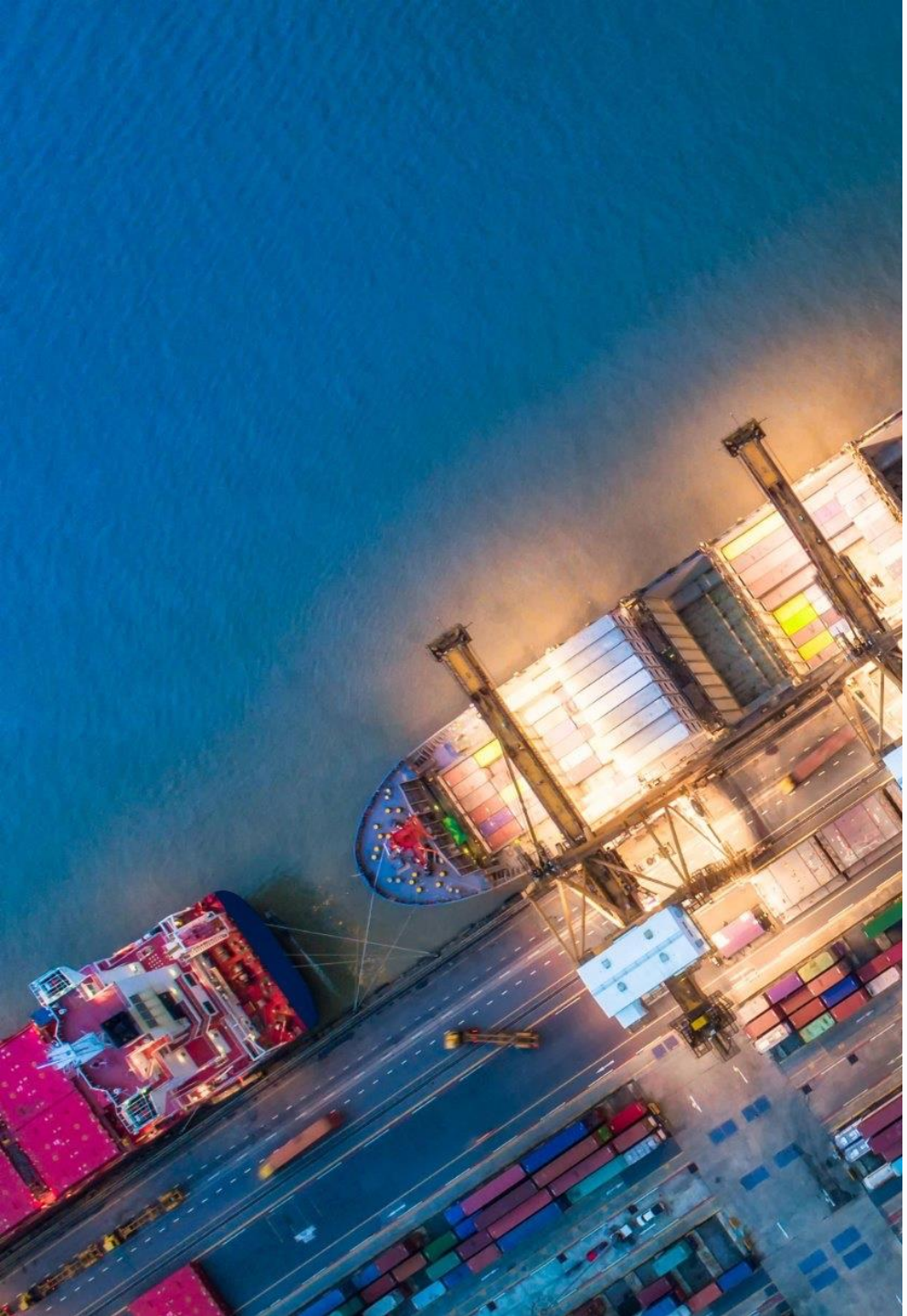
Traditionally, integrating an Australian business with suppliers or customers in Asia required an assortment of capabilities and services, creating barriers to trade and investment, particularly for smaller firms.



Today, businesses of all sizes can access Visa's integrated suite of services and capabilities, which has evolved beyond its traditional card payment network to incorporate a multifaceted proposition of cross-border solutions.



Source: Bank for International Settlements (2025) *Invisible yet essential: the contribution of cross-border payments to a better world and a safer financial system;* Visa (2025) *Annual Report 2025;* Visa (2026) *Visa Direct;* Mandala analysis.



1 Integration with Asia is a key source of economic growth and resilience for Australia in an era of global fragmentation

2 The Visa-Mandala Asia Integration Index highlights the strength of Australia's relationship with Asia, and the areas where it is evolving and shifting

3 Appendix

The Visa-Mandala Asia Integration Index measures Australia's ties with Asia[1]

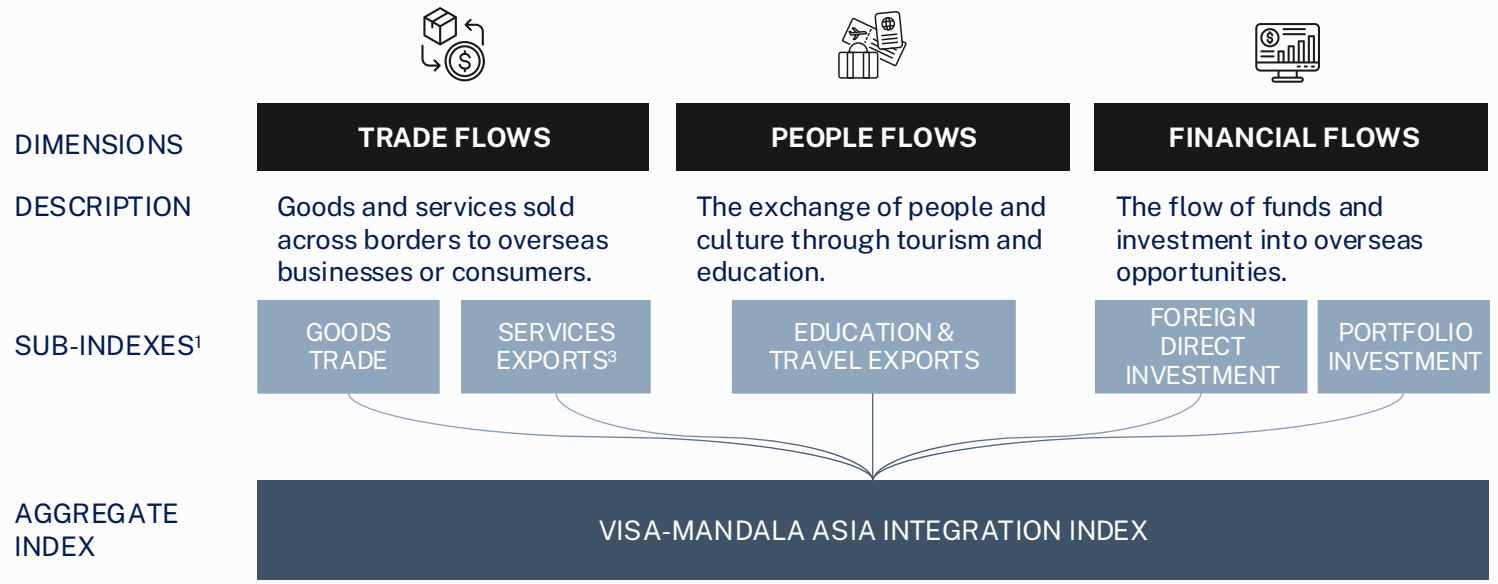
The Visa-Mandala Asia Integration Index tracks Australia's ties with Asian partners across three dimensions: trade, people, and financial flows.

Each dimension is measured by a set of sub-indexes, or channels, including goods trade (trade flows), services exports (trade flows), education and travel exports (people flows), foreign direct investment (FDI) (financial flows), and portfolio investment (financial flows).

Each sub-index is expressed as an intensity score. This compares how important a partner is to Australia with how important that partner is to the world. For example, China accounts for a large share of Australia's goods trade, but it also accounts for a large share of world trade. The index adjusts for this, so it shows whether China matters more or less to Australia than its global weight would suggest.

1 As highlighted in the Glossary, Asia, for the purposes of this index, comprises Brunei, Cambodia, China, India, Indonesia, Japan, Laos, Malaysia, Myanmar, Philippines, Singapore, South Korea, Thailand, Timor-Leste, and Vietnam.

Summary of the Visa-Mandala Asia Integration Index[2]



APPROACH

- The Asia Integration Index collates data on trade, people, and financial flows across a range of sources to generate a holistic index that estimates Australia's degree of integration with Asia relative to other partners.
- For each sub-index, the data is transformed into an **"Intensity Index"**, where:
  - **A score of 1** means the partner's share of Australia's flows matches its share of world flows. This is referred to throughout this report as the **"benchmark".**
  - **A score above 1** means the partner accounts for a larger share of Australia's flows than of world flows. For example, a score of 2 means twice the share.
  - **A score below 1** means the partner accounts for a smaller share of Australia's flows than of world flows. For example, a score of 0.5 means half the share.

2 Each sub-index is constructed based on data availability: Goods trade is measured as two-way flows, Services and Education & Travel are measured as exports, FDI comprises gross inward and outward flows, and Portfolio Investment is measured as portfolio assets held in partner countries. See Appendix for further details. 3 Excludes education and travel exports.
Source: Mandala analysis.

Australia's ties with Asian partners are high for trade in goods and education and travel, but moderate for services and investment

Australia's integration with Asia is strongest in trade and people flows, and weakest in investment.

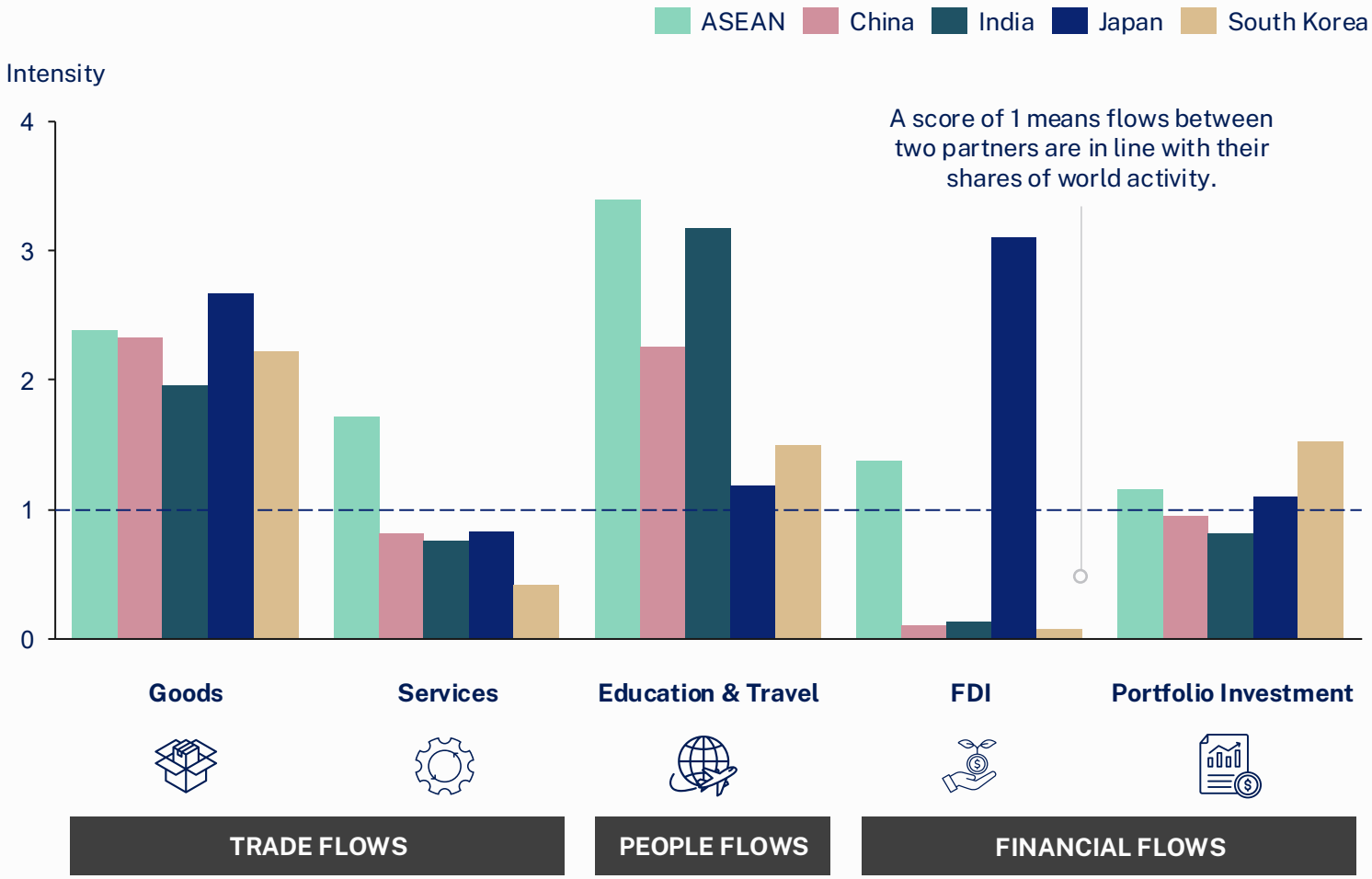
Goods trade intensity is consistently high, at around twice the benchmark, with every major Asian partner. Services exports show weaker overall intensity, with integration above benchmark for ASEAN, but below benchmark for other partners.

Education and travel is the standout channel. Australia's ties with ASEAN and India on this measure are more than three times the benchmark.

Investment ties are weaker. Japan and ASEAN are the two major Asian partners with FDI integration meaningfully above the benchmark. FDI with China, India, and South Korea is small. Portfolio investment sits close to the benchmark across the region. One reason for the lower levels of integration in FDI is the volatile nature of FDI flows. Capital flows are more mobile and less sensitive to geographic proximity than trade in goods and services, and are more likely to fluctuate year-on-year.

Australia's integration with Asian partners

By sub-index; 2024



Source: UN Comtrade Database (2026) *Goods Trade Data;* OECD-WTO (2026) *Balanced Trade in Services (BaTIS) Dataset*; OECD (2026) *FDI by Counterpart Area and Economic Activity*; IMF (2026) *Portfolio Investment Positions by Counterpart Economy*; Mandala analysis.

Wayex uses Visa's global network to make digital dollars spendable worldwide, taking Australian payments innovation abroad

About Wayex

- **Wayex is an Australian fintech and stablecoin payments platform.** It was founded at the University of Technology Sydney in 2018 and launched Australia's first crypto-linked Visa card in 2021.
- **Wayex Global** gives users a single US dollar balance that can be funded and spent across borders, while the Australian platform operates in Australian dollars. Customers can top up with bank transfers or stablecoins, and Wayex converts all deposits into one balance.
- **Wayex connects customer balances to Visa's network.** Visa cards issued through its partners let customers spend at more than 200 million locations worldwide, with funds converted in real time at the point of sale.

Wayex makes it simpler to hold, move, and spend money across borders

- **Linking Australia and Asia.** Asia is one of the most common places Australian cardholders use Wayex overseas, with Japan, Indonesia, Thailand, Singapore, and Malaysia the top destinations.
- **Speeding up payments to match the pace of business.** Wayex uses stablecoins to settle cross-border payments instantly via Visa's network. For customers moving between Australia and Asia, payments no longer wait on banking hours.
- **Expanding in Asia.** With plans to launch a Wayex card in Asia, Wayex is building local currency rails, starting with Indonesia, where there is strong demand for local currency deposits and withdrawals.

> We started Wayex to make digital dollars as easy to spend as cash, and Visa's network is what makes that work in the real world. Our Australian cardholders have been using Wayex across Asia for years, and with Wayex Global the flow now runs both ways, with a significant share of our new customers coming from the region, led by Indonesia. In early 2027, we're launching a Wayex card in Asia. That's Australian payments innovation built for the region, not just exported to it.
>
> **Andrew Grech,**
> **CEO and Co-Founder, Wayex**



50+

countries and territories where Wayex Global cardholders are spending



200M+

locations where the Wayex Visa card can be used

wayex

Enabled by VISA

Source: Wayex (2026) *Wayex;* Australian FinTech (2026) *Australian fintech Wayex launches Wayex Global in over 160 countries;* Wayex (2026) *From university startup to global financial platform, Wayex Global launches in over 160 countries;* Interview with Wayex; Mandala analysis.

FDI intensity has declined since 2015, partly offset by growth in education and travel and portfolio investment

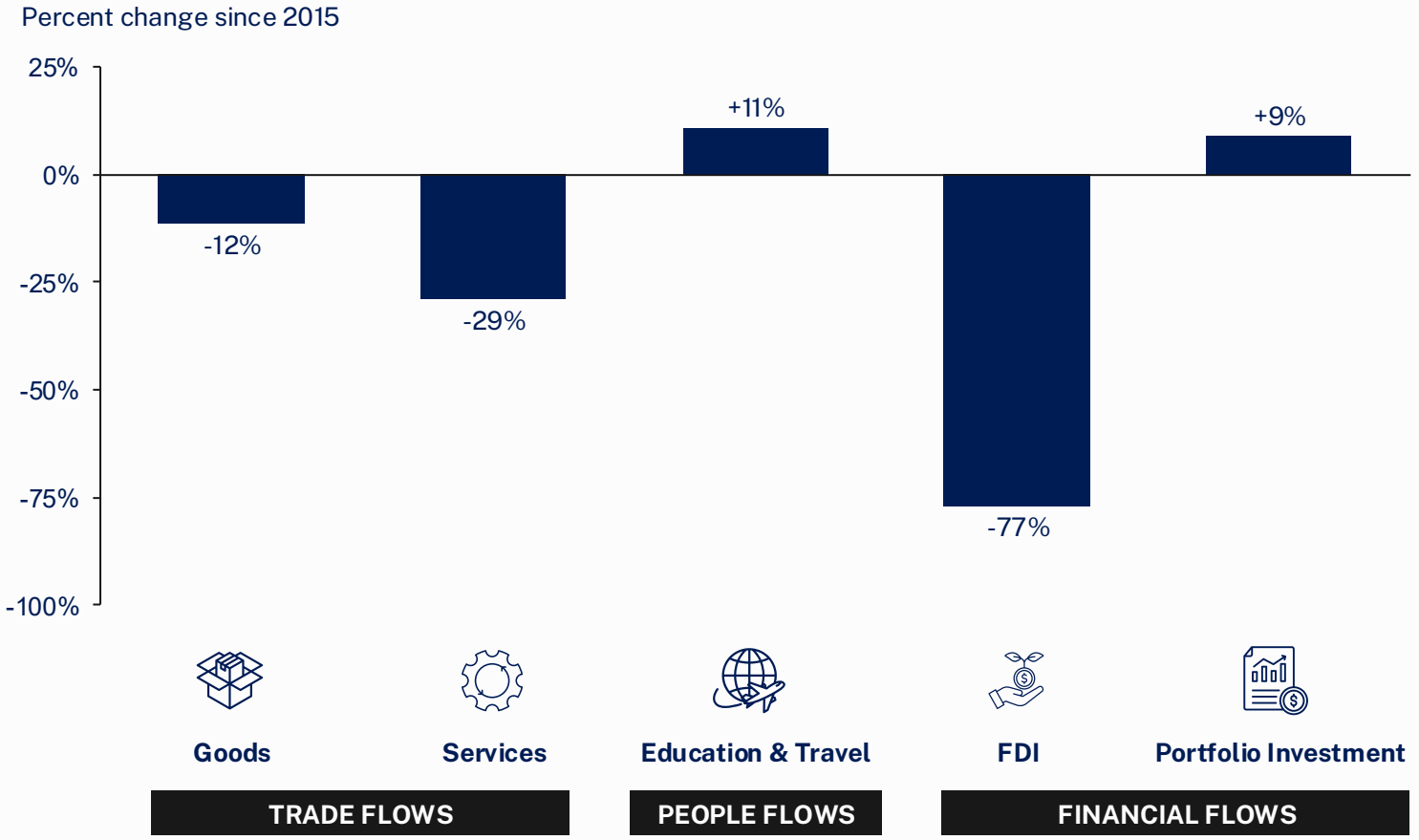
Changes in Australia's integration with Asia since 2015 vary significantly by channel.

FDI accounts for most of the decline observed in the aggregate index, having fallen 77% since 2015. As detailed on the next page, the decline in FDI coincides with a combination of year-on-year volatility in FDI flows and a real decline in investment in Australia's mining sector that had previously attracted large volumes of FDI during the mining boom.

The decline in FDI has been partially offset by minor gains in education and travel (+11%) and portfolio investment (+9%) from 2015 to 2024, while both goods and services intensity declined over the period.

Change in Australia's integration with Asia since 2015

Percent change since 2015 based on latest available data, by sub-index



Source: UN Comtrade Database (2026) *Goods Trade Data;* OECD-WTO (2026) *Balanced Trade in Services (BaTIS) Dataset*; OECD (2026) *FDI by Counterpart Area and Economic Activity*; IMF (2026) *Portfolio Investment Positions by Counterpart Economy*; Mandala analysis.

The drop in FDI integration corresponds with the end of the mining boom, with significant declines from Japan and China

The fall in FDI integration recorded since 2015 aligns with the unwinding of the mining boom, which saw elevated levels of foreign direct investment into Australia for several years. This trend is exemplified by the underlying shifts in Australia's FDI intensity with both Japan and China. During the mining boom, Asian investors committed large volumes of capital to Australian resources and energy projects.

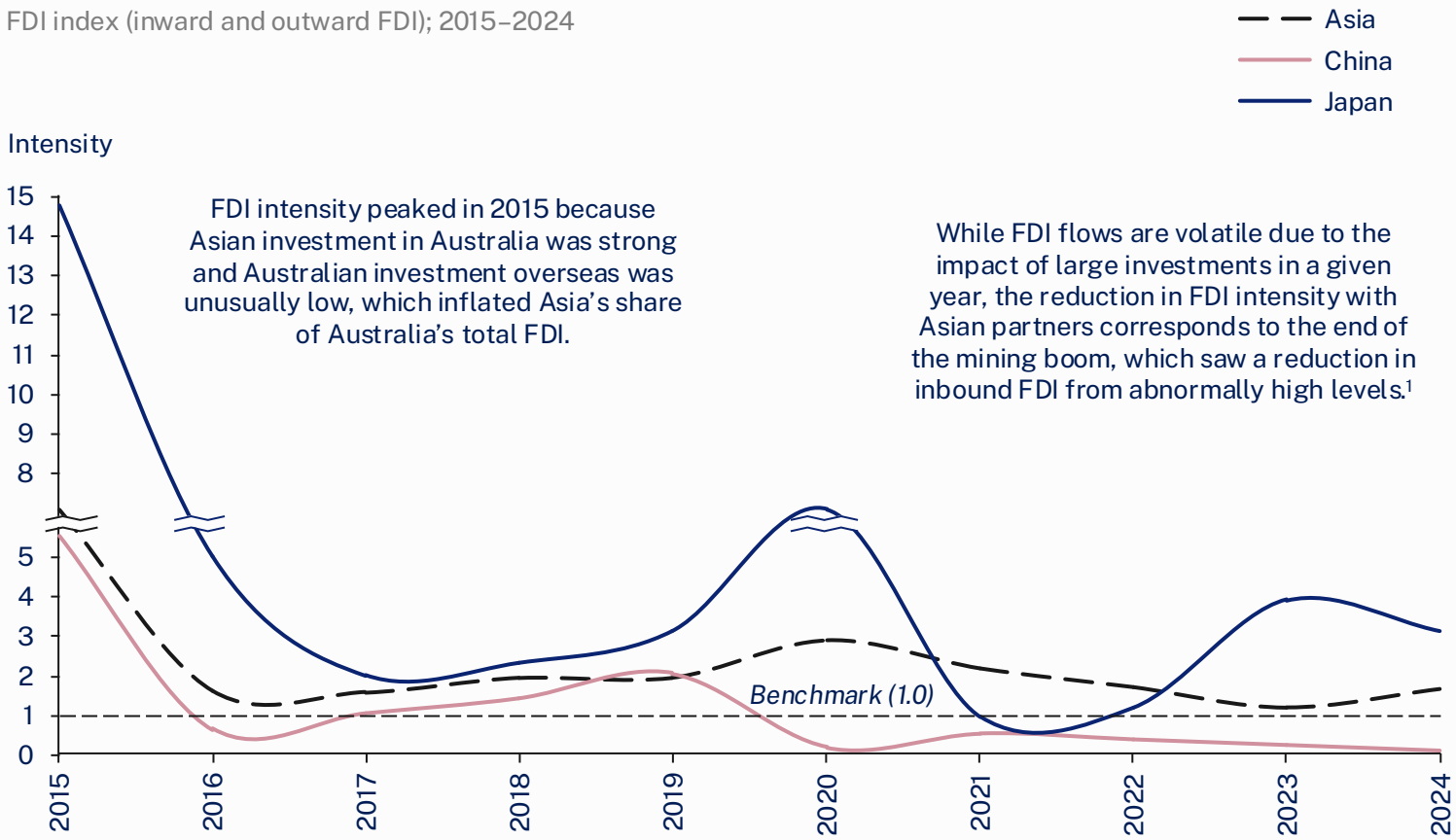
The shift of Australia's mining sector from a phase of investment to a phase of production[1] has contributed to the comparative decline in FDI intensity with Asia over the decade following 2015. Despite these declines, FDI intensity with Asia as a whole remains relatively high, at 1.6 in 2024.

FDI intensity is based on annual flows, which can swing sharply with large acquisitions, asset sales, or repatriations of earnings. The 2015 score was inflated by unusually low Australian investment overseas. As such, the observed decline since 2015 may overstate the underlying shift, and data gaps before 2015 limit comparisons to the height of the mining boom. However, the general downward trend is consistent with other research that documents declining FDI following the end of the mining boom.[1]

Since 2019, FDI intensity with China has experienced a secondary decline, falling from 2.0 in 2019 to just 0.1 in 2024. This trend coincides with Australia's tightening foreign investment screening rules, which have contributed to declines in inbound direct investment from China.

Australia's FDI integration with Asia, China, and Japan

FDI index (inward and outward FDI); 2015–2024



Australia reformed its foreign investment framework in 2021, tightening rules around inbound foreign investment, including increased oversight of investment proposals affecting strategically important sectors.[2] This corresponds with a secondary decline in FDI integration with China, following a COVID-19 dip.

1 RBA (2023) *The Extraordinary Decline in Australia's Net Foreign Liabilities.*
2 United States Studies Centre (2025) Foreign direct investment screening: recent reforms
Source: OECD (2026) *FDI by Counterpart Area and Economic Activity*; Mandala analysis.

Portfolio investment integration has edged higher, driven in part by the opening of Chinese markets

Australia's portfolio investment integration with Asia has risen modestly since 2015, from the benchmark (1.0) to slightly above it (1.1). This contrasts with the sharp fall in FDI integration over the same period.

Most of the increase occurred in the years to 2019, when intensity peaked at 1.5. It has since eased but remains above 2015 levels.

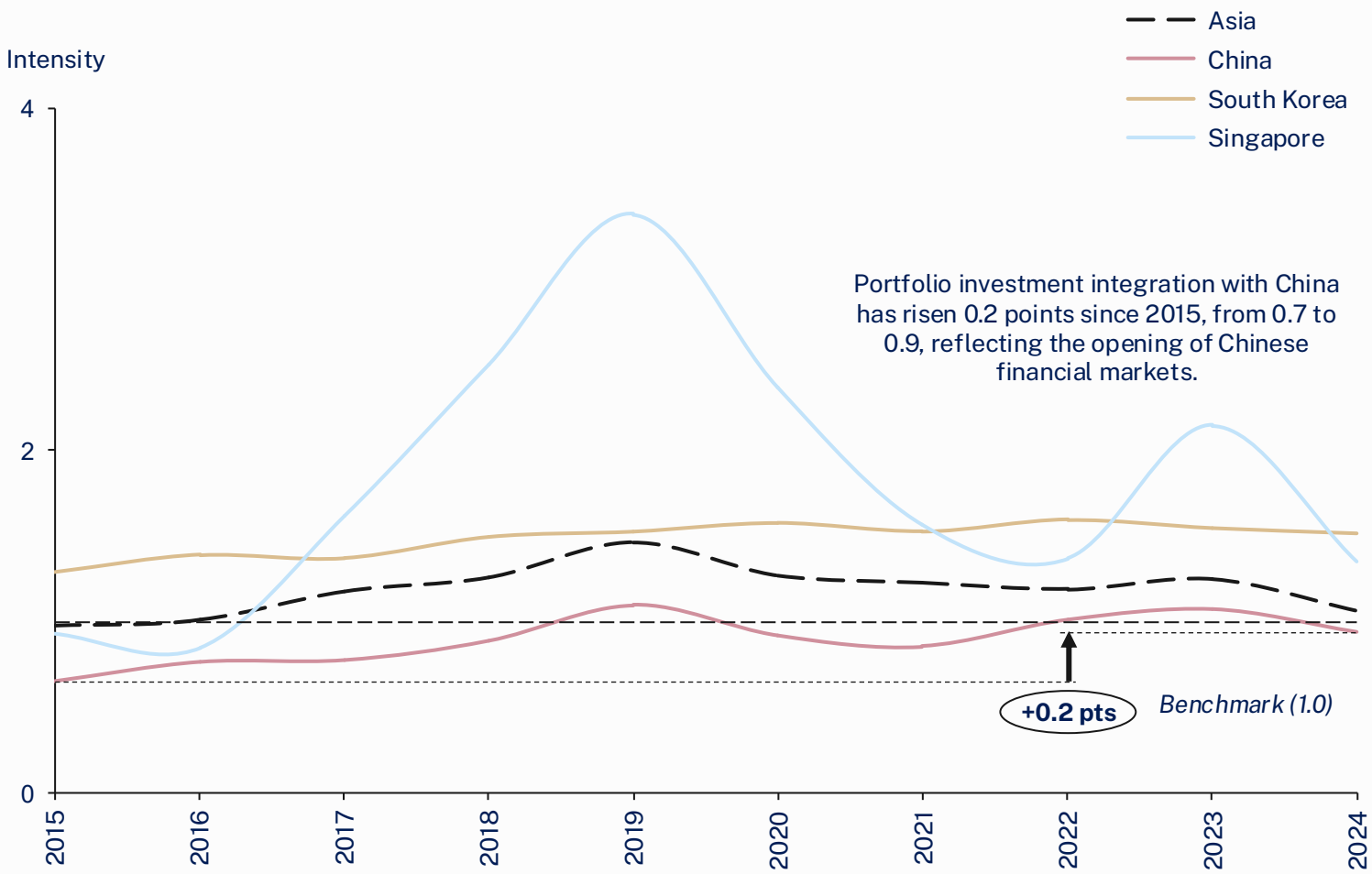
China accounts for much of the longer-term rise, with integration increasing from 0.7 to 0.9. This coincides with the opening of China's capital markets to foreign investors. Mainland Chinese shares were added to the MSCI Emerging Markets Index from June 2018, and Chinese government bonds were phased into major global bond indices in the years following.[1]

South Korea remains Australia's most integrated major Asian partner for portfolio investment, rising from 1.3 to 1.5. Singapore has also moved above the benchmark (0.9 to 1.4), although its intensity is volatile.

1 MSCI (2018) *The World Comes to China;* Reuters (2019) *Why China's inclusion in global bond benchmarks matters.*

Australia's portfolio investment integration with Asia, China, South Korea, and Singapore

Portfolio Investment index (outward investment); 2015–2024



Source: IMF (2026) *Portfolio Investment Positions by Counterpart Economy;* Mandala analysis.

Send Payments uses Visa's cross-border infrastructure to help Australians move money into Asia faster and more easily

About Send Payments

- **Send Payments is an Australian cross-border payments provider,** founded in 2019 and based in Sydney.
- **It offers direct and embedded international payment solutions and multi-currency wallets to enterprises, businesses and individuals**. Send Payments makes moving money across borders simple, removing the complexity often associated with sending money overseas.
- **Send Payments connects to Visa Direct and Currencycloud for multi-currency accounts, foreign exchange, and local-currency payment rails.** This allows Send Payments to pay into more than 170 countries while reducing reliance on correspondent banking.



170+

countries available to receive payments via Send Payments

Send Payments makes it simpler for Australians to trade, work, and invest across Asia

- **Small and medium-sized enterprise (SME) payments into Asia.** Australian businesses use Send Payments to pay Asian suppliers via its partnership with payments and rewards platform Pay.com.au. This reduces the time and difficulty of doing business in Asia under traditional banking channels.
- **Supporting global mobility across borders.** Send Payments partners with a variety of relocation companies to support their clients in moving funds overseas when they move from Australia to Asia. Send Payments also integrates with online property settlement platform PEXA and enables property settlement proceeds to be disbursed into overseas bank accounts.
- **Capital flows and dividend distributions.** Send Payments enables high-volume dividend distributions to investors and beneficiaries in Asia via corporate service providers like Boardroom.



100+

currencies supported by Send Payments solutions

> By connecting directly to local payment rails in over 170 countries via our partnership with Visa Direct, we've eliminated the need for slow, expensive traditional banking processes, allowing us to deliver faster and simpler cross-border payments into Asia and beyond. This benefits our customers greatly as the need for currencies and payment flows into Asia increases.

Matt Barr, CEO
Send Payments



Send

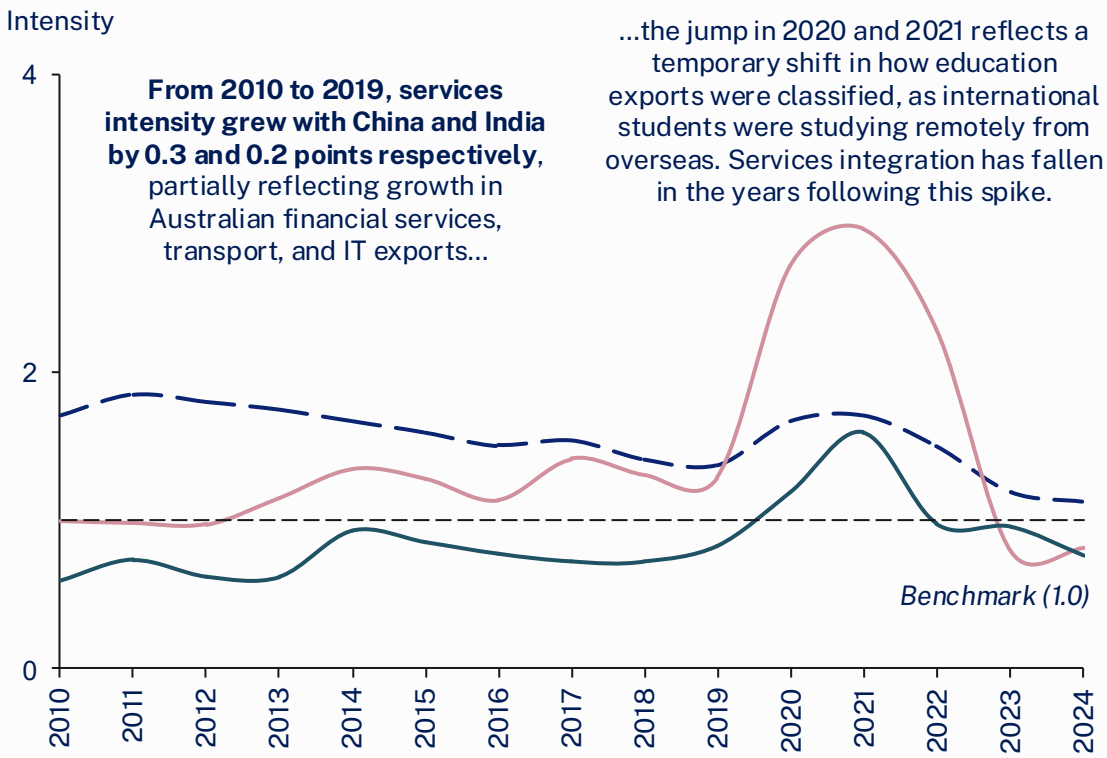
Enabled by VISA Direct Currencycloud A Visa Solution

Source: FinTech Australia (2026) *Send Payments*; Send Payments (2026); Mandala analysis.

Services integration has trended downwards, despite temporary spikes with India and China in 2020 and 2021

Australia's services exports integration with Asia, China, and India

Services exports index; 2010-2024

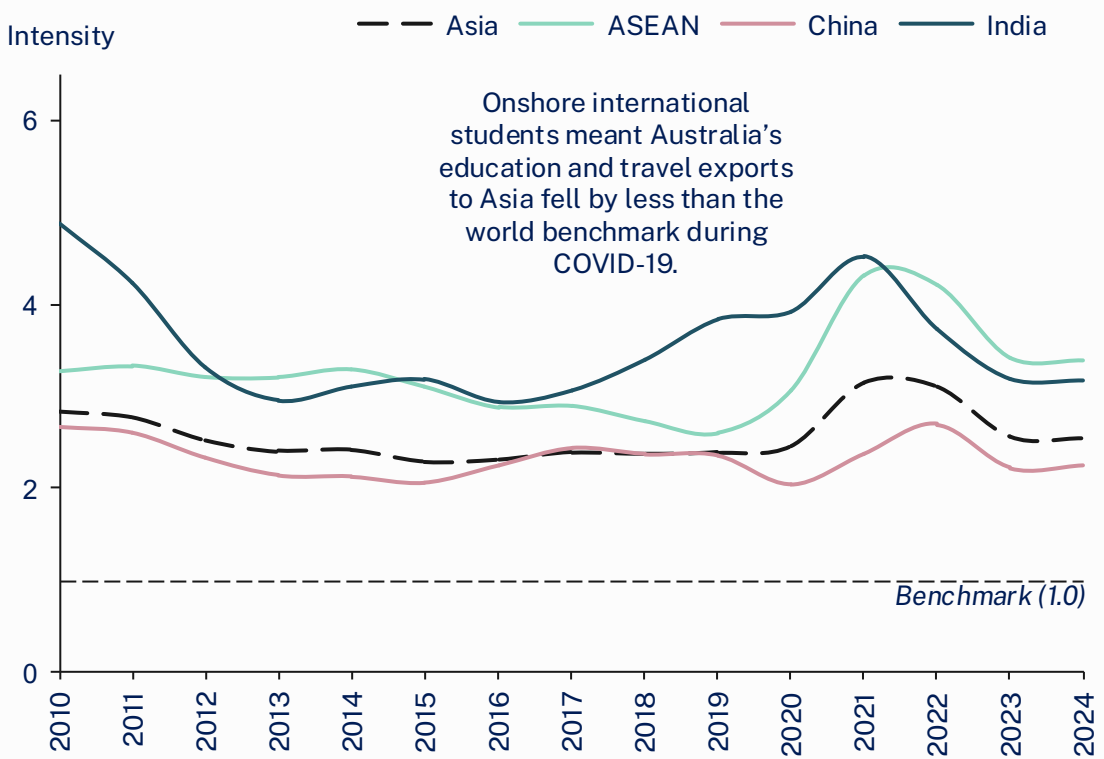


Source: OECD-WTO (2026) *Balanced Trade in Services (BaTIS) Dataset;* Mandala analysis.

... while education & travel exports remained resilient through 2020 and 2021 relative to the rest of the world

Australia's education & travel exports integration with Asia, China, and India

Education & Travel exports index; 2010-2024



Source: OECD-WTO (2026) *Balanced Trade in Services (BaTIS) Dataset;* Mandala analysis.

Since 2019, integration in goods trade has declined with China, but risen across alternative Asian partners

The index suggests that Australia's goods trade has diversified across Asian partners since 2019.

Goods trade integration with China has fallen modestly over this period, from 2.5 in 2019 to 2.3 in 2024. This could reflect trade diversification, sparked by the Australia-China trade dispute that began in 2020. That said, Australia's overall level of goods trade integration with China remains well above the benchmark.

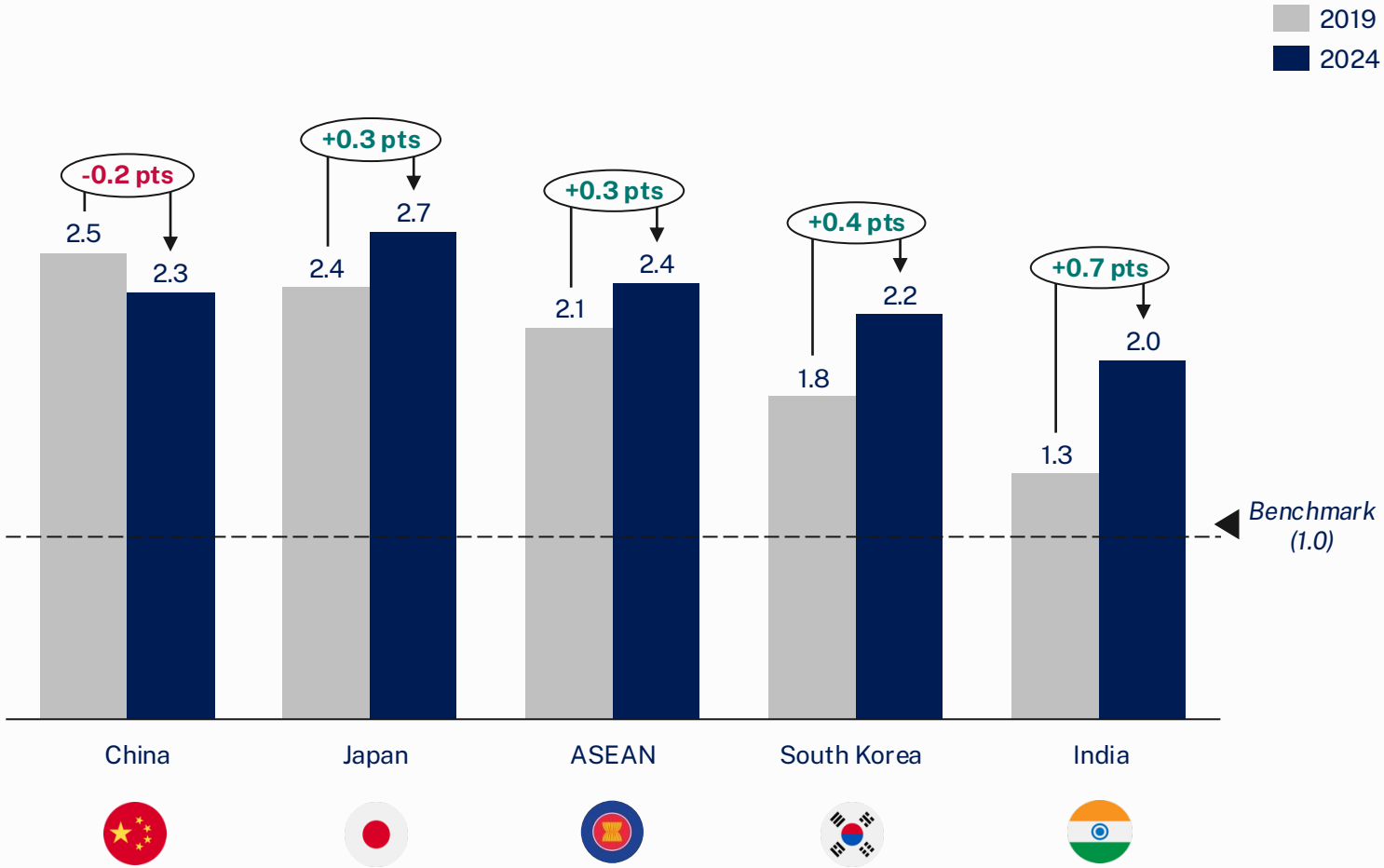
Over the same period, goods trade integration has risen across every other major Asian partner.

India recorded the largest increase, up 0.7 points to an intensity of 2.0. This possibly reflects some of the benefits from the Australia-India Economic Cooperation and Trade Agreement that came into force in 2022.[1]

As of 2024, Japan has risen above China to become Australia's most prominent Asian partner by goods trade intensity, rising from 2.4 to 2.7, up 0.3 points.

Change in Australia's goods trade integration with major Asian partners from 2019 to 2024

Goods trade index (inward and outward); 2019-2024



1 DFAT (2022) *Australia-India Economic Cooperation and Trade Agreement (ECTA).*

Source: UN Comtrade Database (2026) *Goods Trade Data*; Mandala analysis.

CASE STUDY

Nium uses Visa's card and payments network to help Australian businesses spend, pay, and settle across Asia

About Nium

- **Nium is a global payments infrastructure company,** with co-headquarters in Singapore and San Francisco, and an office in Melbourne, providing cross-border payments and card issuance solutions.
- **Nium provides the infrastructure behind other firms' financial products.** Banks, fintechs, and business platforms use Nium to issue cards, pay out to more than 190 countries and territories, and hold and convert funds through a single integration, using fiat currencies or stablecoins.
- **Nium is a principal Visa card issuer and a Visa Ready partner.** This allows its clients to launch Visa card programs in Australia, New Zealand, Singapore, Hong Kong, and Japan, as well as in Europe and the Americas, without building their own issuing infrastructure.



190+

countries and territories reachable through Nium's payout network

Nium gives Australian small businesses the tools to operate across borders

- **Putting Visa business cards in the hands of small businesses.** Nium enables Australian platforms to issue Visa Business Debit Cards to their SME customers. Sydney-based Weel used Nium to take its spend management platform beyond Australia.
- **Paying suppliers, contractors and partners in local currency.** Nium's payout network lets businesses pay counterparts across Asia directly into local accounts, in real time in many markets.
- **Bringing digital dollars into everyday business.** Through Visa's stablecoin settlement pilot and its stablecoin card platform, Nium lets businesses spend digital dollar balances at Visa locations worldwide. It also aims to settle cross-border transactions faster, including outside banking hours.



41M

card credentials processed by Nium in the last 12 months

> Payment complexity compounds much faster than revenue. That is the challenge we solve for our clients and their customers as they expand internationally, launch new products, or look to optimise their payment operations as their businesses scale.
>
> **Anupam Pahuja,**
> **Chief Revenue Officer, Nium**

NIUM

Enabled by VISA

VISA READY

Source: Nium (2026) *Nium;* Nium (2020) *Nium Partners with Visa to Offer Card Issuance in Australia;* Nium (2024) *Weel x Nium;* Nium (2026) *Send payouts to 190+ countries in real time;* Nium (2025) *Nium to join Visa's stablecoin settlement pilot to support its cross-border payments;* Nium (2026) *The US card issuance market just got a serious upgrade;* Visa Partner (2026) *Nium;* Interview with Nium; Mandala analysis.

The index highlights Australia's mature relationship with Asia, alongside a need to adapt and diversify into new sources of growth

Taken together, the index outlines a relationship with Asia that is deep but changing in character.

The foundations built during the resources era remain strong. The next phase of integration is likely to look different. Growth is shifting towards a broader set of partners, particularly India and ASEAN. These flows tend to be more numerous and involve smaller firms than the large resource investments that defined the mining boom.

This raises the importance of the settings that improve the ease of conducting business across borders. These include trade agreements, regulatory cooperation, and the financial infrastructure that allows firms to transact, invest, and get paid in new markets.

Key insights from the Visa-Mandala Asia Integration Index

1 Australia's integration with Asia is strong

- **Australia's integration with Asia has been historically strong**, to this day remaining well above what global flows would suggest, with an aggregate intensity of 1.8.
- **This reflects the importance of Asia to the Australian economy**, as both a supplier and customer of goods, services, capital, and people-to-people connections.

2 The decline in mining-related FDI highlights the importance of new sources of growth

- **Australia's overall integration with Asia has dipped moderately since 2015,** despite remaining strong.
- **This trend has been driven by a decline in mining-related FDI,** following the end of the mining boom, a slowdown in inbound investment from key Asian partners and tighter investment rules.
- **This highlights the importance of new sources of growth and investment in Australia,** alongside the role of cross-border infrastructure and supportive policy settings to facilitate a new wave of investment and trade with partners in Asia.

3 Australia's relationships within Asia are expanding and diversifying

- **The Index highlights some evidence of Australia's relationships expanding and diversifying across Asian partners.**
- **Integration with India and ASEAN has risen in recent years** across education and travel exports, highlighting new economic partnerships beyond traditional resources and energy ties.
- **The intensity of goods trade has shifted since 2019, rising across Japan, ASEAN, South Korea, and India**, offsetting a moderate decline in goods trade intensity with China.

Source: UN Comtrade Database (2026) *Goods Trade Data;* OECD-WTO (2026) *Balanced Trade in Services (BaTIS) Dataset*; OECD (2026) *FDI by Counterpart Area and Economic Activity*; IMF (2026) *Portfolio Investment Positions by Counterpart Economy*; Mandala analysis.

Visa's cross-border solutions directly enable trade, people, and financial flows, facilitating Australia-Asia integration

Visa's cross-border capabilities map across the three dimensions of the Visa-Mandala Asia Integration Index.

Trade flows depend on businesses being able to invoice, transact, and settle with overseas counterparties. People flows generate remittances, travel spending, and student payments that must move between individuals across borders. Financial flows require the ability to hold, convert, and move capital between markets.

Each of these depends on payments infrastructure that most firms cannot build themselves. By providing it as a service, Visa lowers the threshold at which an Australian business can participate in each dimension of integration. This extends to smaller firms where cross-border reach was previously the preserve of large corporates.

The role of Visa-enabled solutions in facilitating trade, people, and financial flows

TYPE OF INTEGRATION	TRADE FLOWS Goods and services sold across borders to overseas businesses or consumers	PEOPLE FLOWS The exchange of people and culture through tourism and education	FINANCIAL FLOWS The flow of funds and investment into overseas opportunities
VISA-ENABLED SOLUTIONS	Cross-border invoicing and transaction services that make it easier to conduct business overseas	Account-to-account transfers and global card services that facilitate travel and remittances	Multi-currency accounts and FX conversion that enable capital to move and be held across markets
EXAMPLE PRODUCTS	**Visa B2B Connect** ▪ A multilateral network that delivers **B2B cross-border payments.** ▪ Enables businesses to **directly pay their suppliers** to reduce reliance on correspondent banking processes.	**Visa Direct** ▪ **A payments platform** that enables businesses and their customers to streamline money movement across borders. ▪ Supports the seamless transfer of funds for applications such as **remittances and international travel cards.**	**Visa Cross-Border Solutions** ▪ A cloud-native platform that enables businesses to **operate multi-currency wallets** and move money to **more than 180 countries and territories.** ▪ Gives businesses access to services that **enable smoother operations in new markets.**

Alongside these products, **Visa's investment in fraud prevention and tokenisation underpins the trust on which cross-border flows depend**. This trust is essential for facilitating greater uptake of trade, travel, and investment in new, unfamiliar regions.

Source: Visa (2026) *Visa B2B Connect – Global payments through a single connection;* Visa (2026) *Transform your global money movement with Visa Direct;* Visa (2026) *Visa Cross-Border Solutions; Visa (2026)* XTransfer delivers faster, more efficient cross-border payment collection for SMEs; Mandala analysis.



1 Integration with Asia is a key source of economic growth and resilience for Australia in an era of global fragmentation

2 The Visa-Mandala Asia Integration Index highlights the strength of Australia's relationship with Asia, and the areas where it is evolving and shifting

3 **Appendix**

Measuring Asia integration: Our approach

Mandala's approach to measuring Australia's integration with Asia is to construct indices for key economic flows. Each index and sub-index shows how intensively Australia engages with Asia compared with what Asia's share of the world economy would predict.

A large economy will naturally trade and invest more with Asia simply because Asia makes up a large share of the world economy. To compare economies of different sizes on a fair basis, we use an intensity measure. This compares the share of an economy's activity that goes to an Asian partner with the share that partner holds of world activity:

Each of the five sub-indexes use this same structure, with 'flow' and 'total' defined for that channel.

Intensity (A, B) = (A's flow with B ÷ A's total) ÷ (World's flow with B ÷ World's total)

- A value of 1 means economy A engages with partner B exactly as much as B's share of the world would predict.
- A value of 2 means economic engagement is twice as intense as expected, and 0.5 means half as intense.

Types of flows

	TRADE FLOWS	PEOPLE FLOWS	FINANCIAL FLOWS
DESCRIPTION	Goods and services sold across borders to overseas businesses or consumers.	The exchange of people and culture through tourism and education.	The flow of funds and investment into overseas opportunities.
SUB-INDEXES	GOODS TRADE; SERVICES EXPORTS	EDUCATION & TRAVEL EXPORTS	PORTFOLIO INVESTMENT; FOREIGN DIRECT INVESTMENT

Measuring Asia integration: How each sub-index is calculated

Sub-index	What is measured	Intensity formula	Variables
Goods	Compares how much a country trades goods with Asian partner(s) (exports and imports of physical goods), relative to each party's share of total world goods trade.	$\frac{G_{AB} \div G_A}{G_B \div G_W}$	▪ G_{AB} is A's exports to B plus B's exports to A ▪ G_A is A's total exports to the world plus the world's exports to A ▪ G_B is B's total exports to the world plus the world's exports to B ▪ G_W is world two-way trade, calculated as twice the sum of every country's reported total exports
Services	Compares how much a country exports services to Asian partner(s) (such as finance, IT and consulting, excluding education and travel), relative to the partner's share of total world services exports.	$\frac{S_{AB} \div S_A}{S_{WB} \div S_W}$	▪ S_{AB} is A's services exports to B ▪ S_A is A's total services exports ▪ S_{WB} is the world's services exports to B ▪ S_W is total world services exports
Education & Travel	Compares how much a country exports education and travel to Asian partner(s) (spending by international students and tourists), relative to the partner's share of total world education and travel exports.	$\frac{T_{AB} \div T_A}{T_{WB} \div T_W}$	▪ T_{AB} is A's travel exports to B (spending by B's residents in A) ▪ T_A is A's total travel exports ▪ T_{WB} is the world's travel exports to B (spending by B's residents abroad) ▪ T_W is total world travel exports
Foreign direct investment (FDI)	Compares how much a country invests directly with Asian partner(s) (inward and outward investment in businesses and assets), relative to each party's share of total OECD direct investment.	$\frac{F_{AB} \div F_A}{F_{WB} \div F_W}$	▪ F_{AB} is A's outward FDI to B plus A's inward FDI from B ▪ F_A is A's total gross FDI ▪ F_{WB} is the world's gross FDI with B ▪ F_W is total world gross FDI
Portfolio Investment	Compares how much a country invests in Asian partner(s)' financial markets (holdings of shares and bonds), relative to the partner's share of total world portfolio investment.	$\frac{P_{AB} \div P_A}{P_{WB} \div P_W}$	▪ P_{AB} is A's holdings of B's securities ▪ P_A is A's total portfolio holdings ▪ P_{WB} is all reporters' holdings of B's securities ▪ P_W is total world portfolio holdings
Aggregate	Combines the goods, services, education & travel, FDI and portfolio investment scores into a single measure of how integrated a country is with Asian partner(s).	Composite score combining the five channel intensities into a single measure of overall integration. Calculated as the equal-weighted geometric mean: the average of each channel's $\log_{10}$ intensity, converted back to an intensity score.	

Source: UN Comtrade Database (2026) *Goods Trade Data;* OECD-WTO (2026) *Balanced Trade in Services (BaTIS) Dataset*; OECD (2026) *FDI by Counterpart Area and Economic Activity*; IMF (2026) *Portfolio Investment Positions by Counterpart Economy*; Mandala analysis.
Throughout the process, a series of data cleaning and processing decisions were made, the most material being: missing values between reported years were linearly interpolated; no intensity was calculated / imputed before the first or after the last reported year; and invalid, negative and outlier values were excluded.